



**EXCHANGE BANK**

Member FDIC

PO Box 760, Gibbon, NE 68840  
(308) 468-5741 • Fax (308) 468-5743  
[www.exchangebank-gibbon.com](http://www.exchangebank-gibbon.com)

1204 Allen Drive • PO Box 5793, Grand Island, NE 68802  
(308) 382-2900 • Fax (308) 382-2901  
[www.exchangebank-gi.com](http://www.exchangebank-gi.com)

September 15, 2005

Director John F. Carter  
FDIC San Francisco Regional Office  
25 Jessie Street at Ecker Sq. Suite 2300  
San Francisco, CA 94105

Dear Director,

I am writing this letter to express to you how strongly opposed I am to Wal-Mart's application for deposit insurance for its pending Utah based ILC. I have personally witnessed the devastating affects of the spread of the Wal-Mart monopoly on rural America and most importantly the alienation of the entrepreneurial spirit that this country was built on. This entrepreneurial activity by small business owners propelled the United States to a global leadership position and is paramount in this countries battle to remain in a leadership position.

Mixing banking and commerce is bad public policy that could jeopardize the impartial allocation of credit and create conflicts of interest. Congress reaffirmed its opposition to the mixing of banking and commerce in the Gramm-Leach-Bliley Act. Imagine a Wal-Mart Bank disfavoring small businesses that compete with Wal-Mart and favoring Wal-Mart suppliers in credit decisions, or requiring Wal-Mart suppliers to bank with the Wal-Mart Bank.

The systemic risk posed by a Wal-Mart bank would be enormous. Wal-Mart already controls 8% of the non-restaurant, non-automotive sales in the U.S. With a branch of Wal-Mart Bank in every store, it would represent a dangerous and unprecedented concentration of economic power.

Throughout the history of this country a number of businesses and industries have taken advantage of a monopolistic position. They were stopped! Now is the time to take decisive action to let Wal-Mart know that the leaders of today have the same fortitude as the many before them who stood up against the robber barons of their time!

Sincerely,

Dennis Schardt  
Chairman of the Board

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D. P. Roman